
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY & BENEFIT FUND
HELD
FRIDAY DECEMBER 18, 2015

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund was held December 18, 2015, at 9:00 A.M. at the office of the Fund, 221 N. LaSalle Street, Room 1626, Chicago, Illinois for the consideration of applications and bills, and for other such matters that came before the Board. The contents of this meeting were transcribed by Esquire Communications, Ltd. Court Reporters and are made a part of the record.

PRESENT: Trustees Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.
ABSENT: 0.
PRESIDING: President Hauser

Trustee Wright called the meeting to order.

Trustee Hauser entered the proceedings.

Trustee Hauser called for a motion on the minutes from the regular Board of Trustee meeting held November 24, 2015. Motion was made by Trustee Avila, seconded by Trustee Wright, that the Board approve the minutes from the regular meeting held November 24, 2015.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.
Absent: Summers 1.
Against: 0.

Trustee Hauser requested motions on Board orders submitted by the Board's legal counsel. In the matter of **Doris Gaskew**, the Board found that Officer Gaskew is not entitled to a duty disability benefit as her duty injury has resolved prior to her exhausting her medical leave and therefore entitled to receive an ordinary disability benefit effective February 17, 2015 through November 30, 2015, at which time the ordinary benefit ceased as she is no longer disabled.

It was moved by Trustee Wright, seconded by Trustee Lappe that the Board adopt the order on Doris Gaskew as submitted.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.
Absent: Summers 1.
Against: 0.

In the matter of **Karen Wojcikowski**, the Board found that Officer Wojcikowski is currently disabled and the disability is in part due to a non-duty preexisting medical issue therefore, she is entitled to a 50% duty disability benefit, effective January 9, 2015, the date she exhausted her CPD medical leave. *It was moved by Trustee Wright, seconded by Trustee Lappe that the Board adopt the order on Karen Wojcikowski as submitted.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.
Absent: Summers 1.
Against: 0.

The next order of business was the election of Retirement Board Officers for the Policemen's Annuity and Benefit Fund.

MINUTES CONTINUED
December 18, 2015
Page 2.

ELECTION OF OFFICERS

Nomination made by Trustee Maloney of Kenneth Hauser for the position of President, seconded by Trustee Wright.

No other nominations were made.

VOTE on the nomination.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

Nomination made by Trustee Hauser, of Brian Wright for the position of Vice President, seconded by Trustee Maloney.

No other nominations were made.

VOTE on the nomination.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

Nomination made by Trustee Lappe of James Maloney for the position of Recording Secretary, seconded by Trustee Hamburger.

No other nominations were made.

VOTE on the nomination.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

Next on the agenda was the consideration of applications and bills, and other such matters that came before the Board.

PAGE NO. REFERENCE

1 - 4 Incurred Expenses for the Month of December 2015.

It was moved by Trustee Lappe, seconded by Trustee Avila that the Board approve the Obligations as detailed on pages 1 through 4.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

MINUTES CONTINUED

December 18, 2015

Page 3.

PAGE NO. REFERENCE

5 - 11 Refunds of Contributions; Withdrawal of Service, Widow's Annuity Accumulations, Widow's Annuity Accumulations-Revised and Exempt Rank.

It was moved by Trustee Lappe, seconded by Trustee Wright that the Board approve the Refunds as detailed on pages 5 through 11.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

12 Refunds to Heirs of Deceased Annuitants.

It was moved by Trustee Hauser, seconded by Trustee Brown that the Board approve the Refunds as detailed on page 12.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

13 Refund of Annual Increase Contributions [*less than 20 years of service*]

It was moved by Trustee Avila, seconded by Trustee Hauser that the Board approve the Refund as detailed on page 13.

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

14 - 16 Annuities (summary pg. 17)

It was moved by Trustee Hauser, seconded by Trustee Wright that the Board approve the Annuities as detailed on pages 14 through 16.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

18 – 24 Annuities – Revised

It was moved by Trustee Hauser, seconded by Trustee Brown that the Board approve the Revised Annuities as detailed on pages 18 through 24.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

25 - 26 Annuities to Widows (summary pg. 27)

It was moved by Trustee Hauser, seconded by Trustee Brown that the Board approve the Annuities to Widows as detailed on pages 25 and 26.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

PAGE NO. REFERENCE

28 Annuities to Children

It was moved by Trustee Brown, seconded by Trustee Avila that the Board approve the Annuities to children as detailed on page 28.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

29 Occupational/Duty Disability Benefit Claims

a) Mancilla, Joseph

Based on the medical reports, it was moved by Trustee Hauser, seconded by Trustee Wright that the Board award occupational disease disability benefits for Joseph Mancilla.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

30 - 31 Payments of Death Benefits [Summary pg. 32]

It was moved by Trustee Hauser, seconded by Trustee Wright that the Board approve the Death Benefits as detailed on pages 30 and 31.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

MISCELLANEOUS

33 REQUEST FOR PENSION CREDIT FOR PRIOR SERVICE UNDER 5-214 (c)

Documentation verified, it was moved by Trustee Avila, seconded by Trustee Wright that the Board approve the prior service requests as detailed on page 33.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

34 REQUEST FOR PENSION CREDIT FOR PRIOR SERVICE UNDER 5-214.2

It was moved by Trustee Hamburger, seconded by Trustee Avila that the Board deny the prior service request to Darrick Scott as detailed on page 34, as the deadline to apply for this was February 17, 2010.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.

Absent: Summers 1.

Against: 0.

PAGE NO. REFERENCE

35 REQUEST FOR PENSION CREDIT FOR PRIOR SERVICE UNDER 5-214.3
Documentation verified, it was moved by Trustee Avila, seconded by Trustee Lappe that the Board approve the prior military service petition as detailed on page 35.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.
Absent: Summers 1.
Against: 0.

It was moved by Trustee Hauser, seconded by Trustee Avila that the Board go into Executive session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.
Absent: Summers 1.
Against: 0.

It was moved by Trustee Lappe, seconded by Trustee Wright, that the Board exit the Executive Session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Wright 7.
Absent: Summers 1.
Against: 0.

Trustee Summers entered the proceedings.

HEARINGS

DUTY DISABILITY STATUS REVIEWS

36 **Borchers, Daniel S.**

Daniel S. Borchers appeared before the Board, with counsel, on his duty disability benefit status review. After reviewing the documents presented and hearing testimony from Officer Borchers and the Board's consulting physician, Dr. Orris *it was moved by Trustee Avila, seconded by Trustee Hamburger that the Board go into executive session per 2 (c) (11).*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.
Absent: 0.
Against: 0.

It was moved by Trustee Avila, seconded by Trustee Lappe that the Board exit the executive session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.
Absent: 0.
Against: 0.

As the conclusion of the executive session, the Board agreed that the duty disability benefit Daniel Borchers is currently receiving shall continue uninterrupted.

PAGE NO. REFERENCE

37 **Jaber, Rabi**

Rabi Jaber appeared before the Board, with counsel, on his duty disability benefit status review. After reviewing the documents presented and hearing testimony from Officer Jaber and the Board's consulting physician, Dr. Orris *it was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board go into executive session per 2 (c) (11).*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Wright, seconded by Trustee Avila that the Board exit the executive session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

At the conclusion of the executive session, the Board agreed that the duty disability benefit Rabi Jaber is currently receiving shall continue uninterrupted.

Trustee Lappe, for the record, indicated his opposition to the continuation of benefits.

38 **DUTY DISABILITY CLAIM**

Kelly, Peter A.

Peter Kelly appeared before the Board, with counsel, on his application for a duty disability benefit. After reviewing the documents and records submitted and hearing testimony from the claimant, the Board's consulting physician Dr. Orris, *it was moved by Trustee Lappe, seconded by Trustee Maloney, that the Board award a duty disability benefit.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

It was then moved by Trustee Lappe, seconded by Trustee Summers that the Board grant the duty disability award at 75% of salary as defined in the Pension Act.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

Counsel for disability claimant **Frank Rodriguez** requested a continuance from the January 2016 Board meeting to the February 2016 Board meeting due to Officer Rodriguez's additional medical procedures needed for reinstatement to active duty with the Chicago Police Department.

It was moved by Trustee Avila, seconded by Trustee Wright that the Board approve the request for a one month continuance for the disability hearing of Frank Rodriguez.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

The Executive Director discussed with the Board of Trustees various matters pending review and/or Board approval.

MINUTES CONTINUED

December 18, 2015

Page 7.

The first matter was a letter from Mayor Rahm Emanuel, which re-appoints Trustees Juan Avila and Carole Brown to the Retirement Board of the Policemen's Annuity and Benefit Fund for a three-year term effective immediately and expiring November 30, 2018.

The next order of business was concerning The Northern Trust and their voluntary efforts to reduce the fees on Global Index Strategy Funds for the City's pension plans. With respect to the Fund's portfolio, such efforts would reduce the fees on the Russell 1000 Index Fund from .035 percent to .02 percent. To implement the fee reduction, an amendment to the existing Investment Manager Agreement is necessary. The executive Director is seeking approval on this amendment.

It was moved by Trustee Maloney, seconded by Trustee Wright that the Board approve the Executive Director to sign the amendment to the Investment Manager Agreement which would reduce the fees on the Russell 1000 Index Fund.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

The next item is a request for trustee attendance at Opal Financial Group's Investment Education Symposium in February 2016.

It was moved by Trustee Wright, seconded by Trustee Maloney that the Board approve attendance by any trustee who wishes to attend, the symposium hosted by Opal Financial in February 2016.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

Lengthy discussion was held concerning the annual annuitant signature verification cards. General agreement was that a form letter requesting a current signature, with fraud language on it, be sent to all annuitants of the Fund.

Staff requires approval for additional medical testing on disability recipients John Tolley and Gus Domenech.

*It was moved by Trustee Wright, seconded by Trustee Hamburger, that the Board approve an **IME/FCE** for disability recipient **John Tolley**.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

*It was moved by Trustee Wright, seconded by Trustee Maloney, that the Board approve an **IME/FCE** for disability recipient **Gus Domenech**.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

MINUTES CONTINUED

December 18, 2015

Page 8.

The Executive Director reviewed with the Board various notifications and or requests;

- A reminder to all trustees that the ethics training must be completed by December 31. The Executive Director requests that each trustee certify to staff fulfillment of the requirement, so that staff can indicate compliance to the Department of Insurance.
- The Policemen's Annuity and Benefit has received a Certificate of Achievement for Excellence in Financial Reporting on the 2014 Comprehensive Annual Financial Report. Jim Dollard, the Fund's Comptroller, was congratulated for his hard work and that of his staff.
- Trustee Hauser was named 'Man of the Year' by the Illinois Public Pension Fund Association.
- Meeting dates for 2016, were reviewed, adjusted and finalized.

Trustee Hauser discussed the NCPERS Legislative and Healthcare Symposium to be held in January 2016.

It was moved by Trustee Wright, seconded by Trustee Maloney that the Board approve attendance by any Trustee, who wishes to attend, the 2016 Legislative and Healthcare Symposium hosted by NCPERS.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Hamburger, seconded by Trustee Avila, that the Board go into Executive session per 2 (c)(2).

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

It was moved by Trustee Lappe, seconded by Trustee Hamburger, that the Board exit the Executive Session.

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

The Operating Budget for 2016 was presented for approval. *It was moved by Trustee Wright, seconded by Trustee Brown, that the Board approve the Operating Budget for 2016 as submitted.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.

All business concluded for this date, December 18, 2015, *it was moved by Trustee Wright, seconded by Trustee Maloney that this meeting be adjourned.*

ROLL CALL

For: Avila, Brown, Hamburger, Hauser, Lappe, Maloney, Summers, Wright 8.

Absent: 0.

Against: 0.